

103 KAR 41:030. Wholesalers, resident and nonresident.

RELATES TO: KRS 138.195

STATUTORY AUTHORITY: 131.130(1)

NECESSITY, FUNCTION, AND CONFORMITY: This administrative regulation explains the licensing and reporting requirements of resident and nonresident wholesalers of cigarettes as provided in KRS 138.195.

Section 1. Application for a Resident and for a Nonresident Cigarette License. (1) Any person desiring to secure a license as a resident cigarette wholesaler or a nonresident cigarette wholesaler must file an application with the Department of Revenue, Frankfort, Kentucky, on forms furnished by the department. A separate application must be filed for each place of business at which evidence of Kentucky cigarette tax is affixed to packages of cigarettes. The application shall state the name and address of the business, the nature of the business, the owners or principal officers, and the names of other states in which the applicant intends to distribute cigarettes.

(2) Upon issuance by the Department of Revenue, the license must be displayed in the place of business for which the license was issued.

Section 2. Report Required. (1) Each licensee shall submit a monthly report to the Department of Revenue, Frankfort, Kentucky, on forms furnished by the department. The report is due on or before the 20th day of each month and shall reflect the following information concerning the previous calendar month's operation:

(a) The number of unstamped cigarettes received; however, for a resident wholesaler the consignor and the quantity received in each shipment are also necessary.

(b) The number of stamped cigarettes received with a breakdown of the quantity in each shipment and the state for which they had previously been stamped.

(c) The quantity of tax stamps and tax units purchased and affixed, both for Kentucky and for other states.

(d) The name of all persons to whom Kentucky stamped cigarettes are sold for resale purposes.

(e) The agencies or institutions to which tax free cigarettes were delivered and the quantity of cigarettes distributed to each agency or institution; for a nonresident wholesaler it is necessary to list only the quantity delivered to agencies or institutions located in Kentucky.

(2) If cigarettes are distributed into a state not requiring the affixing of tax evidence, a copy of all reports submitted to that state must be submitted to the Department of Revenue to substantiate the monthly reports. (CT-22, 23; 1 Ky.R. 333; eff. 2-5-1975; TAm 5-20-2009; TAm eff. 6-28-2016.)